

## SUFFOLK COUNTY LEGISLATURE



Robert Lipp  
Director

### BUDGET REVIEW OFFICE

October 17, 2014

To: DuWayne Gregory, Presiding Officer  
and All Suffolk County Legislators

From: Robert Lipp, Director  
Budget Review Office

Subject: **Review of the 2015 Recommended Operating Budget**

Accompanying this letter of transmittal is the Budget Review Office assessment of the County Executive's 2015 Recommended Operating Budget. In general, we find revenue and expenditures to be reasonably stated. Of course in a budget comprised of thousands of line items, there are naturally going to be areas in which revenue and expenditures need to be adjusted. With that in mind, we identify shortfalls and surpluses and recommend corrective action.

Although the County has shown considerable improvement since 2012, there is still much work to be done. The 2012 year end fund balance in the General Fund was a \$154.4 million deficit, while the 2014 year-end fund balance is estimated to be a \$25.8 million surplus. The structural shortfall, although reduced, continues to exceed \$100 million, as measured by \$59.8 million in pension amortization, \$22.5 million in borrowing from the ASRF, \$11.25 million in revenue from the yet to be sold former nursing home, \$5.9 million in deferral of holiday pay and the lack of recommended funding for either the \$4 million in deferred pay owed the Deputy Sheriffs or potential settlements associated with the four bargaining units that have not had a contract since the end of 2010.

Major issues implicit in the recommended budget that are discussed in this report, and that the Legislature should be aware of, include structural changes to the Police District budget, numerous staffing changes and the recommended use of pension amortization and borrowing from the Assessment Stabilization Reserve Fund.

The Legislature has many issues to consider before adopting this budget. I would like to extend my thanks to the staff of the Budget Review Office for their diligence and perseverance in the preparation of this report. We are ready to assist the Legislature in their deliberations during the budget adoption process.

Police

---

### ***Public Safety Communications System E-911 (Fund 102)***

The enhanced 911 (E911) Emergency Telephone System went online in 1997. It provides selective routing of emergency telephone calls with automatic telephone and location identification. The Emergency Complaint Operator answering a 911 call receives critical information including the address and phone number of the caller. The system also identifies the appropriate police, fire, and ambulance unit that should respond.

Recommended expenses in Fund 102 total \$18,171,544 for 2015, an increase of 1.2% or \$211,908 from the 2014 Adopted Budget. This is mainly due to increases in overtime and employee benefit expenses that are partially offset by decreases in salaries and telephone expenses. Overtime due to public safety emergencies, such as severe weather conditions, and mandated overtime due to a lack of staffing has been a major concern for the Emergency 911 Complaint Center for the past several years. Overtime expenditures were in excess of \$800,000 in 2011 and 2012 and were \$1.5 million in 2013. The 2014 estimate is \$972,814 (object 1120). The Budget Review Office warned last year that the adopted \$600,000 would be inadequate unless vacant Emergency Complaint Operator (ECO) and Public Safety Dispatcher (PSD) positions were aggressively filled. There is one more ECO/PSD filled position now than at this time last year. This line item will be over-expended by approximately \$375,000 in 2014. The 2015, Recommended Budget includes \$851,774 for overtime. In comparison, the Police Department requested \$950,000. Given that overtime has exceeded budgeted amounts in recent years, the Department's requested amount may be more realistic.

Through September 28, 2014, 107 ECOs and PSDs had accrued \$675,217 in overtime, ranging from \$93 to \$40,899 per individual with an average of \$6,310 each. Not only is that a substantial amount of overtime for a relatively small number of moderately salaried civilian positions, it also puts a tremendous burden on these employees to perform their duties at a high level of competence without creating extremely poor working conditions. The Budget Review Office again recommends that the Executive allow the Department to aggressively fill some of these vacant positions to mitigate overtime and improve working conditions and efficiencies.

### **E-911 Revenue**

There are sufficient recommended funds for a cost-to-continue budget for the E-911 System in 2015. The system is partially supported by surcharges on landlines, cell phones and VOIP lines as well as interfund transfers from both the General and Police District Funds. The surcharges are estimated to generate \$8,050,246 in 2014 and \$7,587,752 in 2015.

Resolution No. 974-2009 (Local Law 1-2010), effective January 1, 2010, created a monthly 30 cent surcharge to be imposed on each wireless communications device whose place of primary use is within the County of Suffolk. All surcharge monies remitted to the County would be expended only upon authorization of the County Legislature and only for payment of actual costs incurred by the County related to design, installation or maintenance of the system to provide enhanced wireless 911 service, including, but not limited to hardware, software, consultants, financing, and other acquisition costs. Surcharge monies shall not be expended to pay salaries. Local Law 1-2010 mandates that no less than 20% of the wireless revenue will be allocated to the Public Safety Answering Points (PSAP's). The anticipated revenue for 2014 is estimated at \$4,155,600 and \$4,251,000 for 2015. Twenty percent of the 2014 estimate is \$831,120 and 20% of the 2015 recommended revenue is \$850,200.

Resolution No. 818-2009 expanded Chapter 278 of the Suffolk County Regulatory Local Laws to make such law applicable to those supplying voice over Internet protocol (VOIP) services and their customers, in accordance with the recent amendments to the New York State Law. Pursuant to